

AMENDED IN SENATE APRIL 28, 2010

AMENDED IN SENATE APRIL 8, 2010

AMENDED IN SENATE MARCH 22, 2010

SENATE BILL

No. 1146

Introduced by Senator Florez

February 18, 2010

~~An act to amend Section 116.230 of the Code of Civil Procedure,~~
~~and~~ *An act* to amend Sections 22165 and 22166 of, and to add and repeal
Article 3.5 (commencing with Section 22348) of Chapter 2 of Division
9 of, the Financial Code, relating to finance lenders.

LEGISLATIVE COUNSEL'S DIGEST

SB 1146, as amended, Florez. Finance lenders: finders: small loans:
lenders.

~~(1) Existing~~

Existing law, the California Finance Lenders Law, provides for the
licensure and regulation of finance lenders and brokers by the
Commissioner of Corporations and makes a willful violation of its
provisions a crime. ~~Existing law prohibits a licensed finance lender or
broker from using advertising copy after its use has been disapproved
by the commissioner and the licensee is notified in writing of the
disapproval. Existing law authorizes the commissioner to require a
licensee to maintain a file of all advertising copy for a period of 90 days
from the date of its use. Existing law regulates the charges a licensee
may impose or receive on loans it makes and authorizes a licensee to
contract for and receive specified alternative charges and administrative
and delinquency fees.~~

~~This bill would authorize the commissioner to direct any licensee to submit advertising copy for review by the commissioner prior to its use. The bill would authorize the commissioner to require a licensee to maintain a file of all advertising copy for a period of 2 years from the date of its use.~~

~~The~~

This bill, until January 1, 2015, would establish the Pilot Program for Affordable Credit-Building Opportunities for the purpose of increasing the availability of credit-building opportunities to underbanked individuals seeking low-dollar-value loans. The bill would require licensees to file an application with, and pay a fee to, the commissioner to participate in the program. The bill would authorize a licensee approved by the commissioner to participate in the program to impose specified alternative interest rates and charges, including an administrative fee and delinquency fees, on loans of less than \$2,500, subject to certain requirements, and to use the services of finders, defined as persons who bring a licensee and a prospective borrower together for the purpose of negotiating a loan contract. The bill would require a written agreement meeting specified requirements in order for a licensee to use the services of a finder, would establish the services a finder would be authorized to perform, and would require a finder to comply with the laws applicable to the licensee relative to information security. The bill would require a licensee to notify the commissioner within 10 days of entering into a contract with a finder, would require a licensee to pay an annual finder registration fee to the commissioner, and would require a licensee to submit an annual report to the commissioner on the licensee's relationship and business arrangements with a finder, as specified. The bill would authorize the commissioner to examine the operations of a licensee and a finder to ensure that the activities of the licensee and the finder are in compliance with these provisions. The bill would make a licensee that uses a finder responsible for a violation of these provisions by a finder or a finder's employee. The bill would require the commissioner to examine the performance of each licensee in the program at least once every 24 months, and would require the costs of examination to be paid by the licensee to the commissioner, as specified. The bill would require the commissioner to report to the Legislature specified legislative committees, by January 1, 2014, summarizing utilization of the Pilot Program for Affordable Credit-Building Opportunities, as specified.

Existing law prohibits a licensed finance lender or broker from using advertising copy after its use has been disapproved by the commissioner and the licensee is notified in writing of the disapproval. Existing law authorizes the commissioner to require a licensee to maintain a file of all advertising copy for a period of 90 days from the date of its use. Existing law regulates the charges a licensee may impose or receive on loans it makes and authorizes a licensee to contract for and receive specified alternative charges and administrative and delinquency fees.

This bill would authorize the commissioner to direct any licensee to submit advertising copy for review by the commissioner prior to its use. The bill would authorize the commissioner to require a licensee to maintain a file of all advertising copy for a period of 2 years from the date of its use.

Because a willful violation of these provisions would be a crime, this bill would impose a state-mandated local program.

~~(2) Existing law establishes specified filing fees the clerk of a court is authorized to collect in small claims cases.~~

~~This bill would establish a \$25 filing fee for any small claim action filed relative to the alternative charges authorized by this bill for loans made pursuant to the pilot program.~~

~~(3) The~~

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 116.230 of the Code of Civil Procedure~~
- 2 ~~is amended to read:~~
- 3 ~~116.230. (a) In a small claims case, the clerk of the court shall~~
- 4 ~~charge and collect only those fees authorized under this chapter.~~
- 5 ~~(b) If the party filing a claim has filed 12 or fewer small claims~~
- 6 ~~in the state within the previous 12 months, the filing fee is the~~
- 7 ~~following:~~
- 8 ~~(1) Thirty dollars (\$30) if the amount of the demand is one~~
- 9 ~~thousand five hundred dollars (\$1,500) or less.~~

~~(2) Fifty dollars (\$50) if the amount of the demand is more than one thousand five hundred dollars (\$1,500) but less than or equal to five thousand dollars (\$5,000).~~

~~(3) Seventy-five dollars (\$75) if the amount of the demand is more than five thousand dollars (\$5,000).~~

~~(e) If the party has filed more than 12 other small claims in the state within the previous 12 months, the filing fee is one hundred dollars (\$100).~~

~~(d) (1) If, after having filed a claim and paid the required fee under paragraph (1) of subdivision (b), a party files an amended claim or amendment to a claim that raises the amount of the demand so that the filing fee under paragraph (2) of subdivision (b) would be charged, the filing fee for the amended claim or amendment is twenty dollars (\$20).~~

~~(2) If, after having filed a claim and paid the required fee under paragraph (2) of subdivision (b), a party files an amended claim or amendment to a claim that raises the amount of the demand so that the filing fee under paragraph (3) of subdivision (b) would be charged, the filing fee for the amended claim or amendment is twenty-five dollars (\$25).~~

~~(3) If, after having filed a claim and paid the required fee under paragraph (1) of subdivision (b), a party files an amended claim or amendment to a claim that raises the amount of the demand so that the filing fee under paragraph (3) of subdivision (b) would be charged, the filing fee for the amended claim or amendment is forty-five dollars (\$45).~~

~~(4) The additional fees paid under this subdivision are due upon filing. The court shall not reimburse a party if the party's claim is amended to demand a lower amount that falls within the range for a filing fee lower than that originally paid.~~

~~(e) Each party filing a claim shall file a declaration with the claim stating whether that party has filed more than 12 other small claims in the state within the last 12 months.~~

~~(f) Notwithstanding subdivisions (b), (c), and (d), for any action filed to enforce a contract entered into pursuant to Section 22351 of the Financial Code, the filing fee shall be twenty-five dollars (\$25).~~

~~(g) The clerk of the court shall deposit fees collected under this section into a bank account established for this purpose by the Administrative Office of the Courts and maintained under rules~~

1 ~~adopted by or trial court financial policies and procedures~~
2 ~~authorized by the Judicial Council under subdivision (a) of Section~~
3 ~~77206 of the Government Code. The deposits shall be made as~~
4 ~~required under Section 68085.1 of the Government Code and trial~~
5 ~~court financial policies and procedures authorized by the Judicial~~
6 ~~Council.~~

7 ~~(h) (1) The Administrative Office of the Courts shall distribute~~
8 ~~six dollars (\$6) of each thirty-dollar (\$30) fee, eight dollars (\$8)~~
9 ~~of each fifty-dollar (\$50) fee, ten dollars (\$10) of each~~
10 ~~seventy-five-dollar (\$75) fee, and fourteen dollars (\$14) of each~~
11 ~~one hundred-dollar (\$100) fee collected under subdivision (b) or~~
12 ~~(e), and four dollars (\$4) of each twenty-five dollar (\$25) fee~~
13 ~~collected under subdivision (f), to a special account in the county~~
14 ~~in which the court is located to be used for the small claims~~
15 ~~advisory services described in Section 116.940, or, if the small~~
16 ~~claims advisory services are administered by the court, to the court.~~
17 ~~The Administrative Office of the Courts shall also distribute two~~
18 ~~dollars (\$2) of each seventy-five-dollar (\$75) fee collected under~~
19 ~~subdivision (b) to the law library fund in the county in which the~~
20 ~~court is located.~~

21 ~~(2) From the fees collected under subdivision (d), the~~
22 ~~Administrative Office of the Courts shall distribute two dollars~~
23 ~~(\$2) to the law library fund in the county in which the court is~~
24 ~~located, and three dollars (\$3) to the small claims advisory services~~
25 ~~described in Section 116.940, or, if the small claims advisory~~
26 ~~services are administered by the court, to the court.~~

27 ~~(3) Records of these moneys shall be available from the~~
28 ~~Administrative Office of the Courts for inspection by the public~~
29 ~~on request.~~

30 ~~(4) Nothing in this section precludes the court or county from~~
31 ~~contracting with a third party to provide small claims advisory~~
32 ~~services as described in Section 116.940.~~

33 ~~(i) The remainder of the fees collected under subdivisions (b);~~
34 ~~(e), (d), and (f) shall be transmitted monthly to the Controller for~~
35 ~~deposit in the Trial Court Trust Fund.~~

36 ~~(j) All money distributed under this section to be used for small~~
37 ~~claims advisory services shall be used only for providing those~~
38 ~~services as described in Section 116.940. Nothing in this section~~
39 ~~shall preclude the county or the court from procuring other funding~~
40 ~~to comply with the requirements of Section 116.940.~~

1 ~~SEC. 2.~~

2 ~~SECTION 1.~~ Section 22165 of the Financial Code is amended
3 to read:

4 22165. No advertising copy shall be used after its use has been
5 disapproved by the commissioner and the licensee is notified in
6 writing of the disapproval. The commissioner may by order direct
7 any licensee to submit advertising copy to the commissioner for
8 review prior to use.

9 ~~SEC. 3.~~

10 ~~SEC. 2.~~ Section 22166 of the Financial Code is amended to
11 read:

12 22166. The commissioner may require licensees to maintain
13 a file of all advertising copy for a period of two years from the
14 date of its use. The file shall be available to the commissioner upon
15 request.

16 ~~SEC. 4.~~

17 ~~SEC. 3.~~ Article 3.5 (commencing with Section 22348) is added
18 to Chapter 2 of Division 9 of the Financial Code, to read:

19
20 Article 3.5. Pilot Program for Affordable Credit-Building
21 Opportunities
22

23 22348. (a) The Pilot Program for Affordable Credit-Building
24 Opportunities is hereby established and is intended to increase the
25 availability of affordable credit-building opportunities to
26 underbanked individuals seeking low-dollar-value loans and to
27 help those individuals move into the financial mainstream.

28 (b) All references in this article to the program shall mean and
29 refer to the Pilot Program for Affordable Credit-Building
30 Opportunities.

31 22349. Any licensee wishing to participate in the program,
32 *who is in good standing with the commissioner and has no*
33 *outstanding enforcement actions or deficiencies at the time of its*
34 *application*, shall file an application with the commissioner, in a
35 manner prescribed by the commissioner, and shall pay a fee to the
36 commissioner, in an amount calculated by the commissioner to
37 cover its costs to administer this article.

38 22350. *Nothing in this article shall exempt any licensee from*
39 *any of the provisions of this division or Section 1632 of the Civil*
40 *Code.*

1 ~~22350.~~

2 ~~22351.~~ No licensee may offer or make a loan, nor impose any
3 charges or fees pursuant to Section ~~22351~~, nor use a finder pursuant
4 to Section ~~22352~~, without prior approval from the commissioner
5 to participate in the program.

6 ~~22351.~~

7 22352. (a) Any loan made pursuant to this section shall comply
8 with the following requirements:

9 (1) Interest on the loan accrues on a simple-interest basis,
10 through the application of a daily periodic rate to the actual unpaid
11 principal balance each day.

12 (2) The licensee discloses the following to the consumer in
13 writing at the time of application:

14 (A) The annual percentage rate, the periodic payment amount,
15 and the total finance charge, calculated as required by Federal
16 Reserve Board Regulation Z, as to a loan of an amount and term
17 substantially similar to the loan applied for by the consumer.

18 (B) That the consumer shall have the right to rescind the loan
19 by notifying the licensee of the consumer's intent to rescind the
20 loan and returning the principal advanced by the end of the business
21 day following the date of the consummation of the loan.

22 (3) The loan has a minimum principal amount upon origination
23 of two hundred fifty dollars (\$250) and a term of not less than the
24 following:

25 (A) Ninety days for loans whose principal balance upon
26 origination is less than five hundred dollars (\$500).

27 (B) One hundred twenty days for loans whose principal balance
28 upon origination is at least five hundred dollars (\$500), but is less
29 than one thousand five hundred dollars (\$1,500).

30 (C) One hundred eighty days for loans whose principal balance
31 upon origination is at least one thousand five hundred dollars
32 (\$1,500).

33 (b) As an alternative to the charges authorized by Section 22303
34 or 22304, a licensee approved by the commissioner to participate
35 in the program may contract for and receive charges for a loan
36 made pursuant to this section at a rate not exceeding the sum of
37 the following:

38 (1) Two and one-half percent per month on that part of the
39 unpaid principal balance of the loan up to and including, but not
40 in excess of, one thousand dollars (\$1,000).

(2) Two and one-sixth percent per month on that portion of the unpaid principal balance of the loan in excess of one thousand dollars (\$1,000).

(c) Notwithstanding subdivision (b), a licensee approved by the commissioner to participate in the program shall reduce the rate on each subsequent loan to the same borrower by a minimum of one-twelfth of 1 percent per month, if all of the following conditions are met:

(1) The subsequent loan is originated no more than 180 days after the prior loan is fully repaid.

(2) The borrower was never more than 15 days delinquent on the prior loan.

(3) The prior loan was outstanding for at least one-half of its original term prior to its repayment.

(d) As to any loan made under this section, a licensee approved by the commissioner to participate in the program may contract for and receive an administrative fee, which shall be fully earned immediately upon making the loan, in an amount not in excess of either 5 percent of the principal amount, exclusive of the administrative fee, or sixty-five dollars (\$65), whichever is less. A licensee shall not charge the same borrower more than one origination fee in any six-month period. An administrative fee shall not be contracted for or received in connection with the refinancing of a loan unless at least one year has elapsed since the receipt of a previous administrative fee paid by the borrower. Only one administrative fee shall be contracted for or received until the loan has been repaid in full. Section 22305 shall not apply to any loan made under this section.

(e) Notwithstanding subdivision (a) of Section 22320.5, a licensee approved by the commissioner to participate in the program may contract for and receive a delinquency fee not in excess of

~~twenty dollars (\$20), for a period in default of not less than seven days; one of the following amounts:~~

(1) For a period in default of not less than seven days, an amount not in excess of fifteen dollars (\$15).

(2) For a period in default of not less than 14 days, an amount not in excess of twenty dollars (\$20).

(f) The following shall apply to a loan made by a licensee pursuant to this section:

(1) Prior to disbursement of loan proceeds, the licensee shall either (A) offer a credit education program or seminar to the borrower that has been previously reviewed and approved by the commissioner for use in complying with this section; or (B) invite the borrower to a credit education program or seminar offered by an independent third party that has been previously reviewed and approved by the commissioner for use in complying with this section. The borrower shall not be required to participate in either of these education programs or seminars.

(2) The licensee shall report each borrower's payment performance to at least one of the three major credit bureaus in the United States.

(3) (A) The licensee shall underwrite each loan *to determine a borrower's ability and willingness to repay the loan pursuant to the loan terms*, and shall not make a loan if it determines, through its underwriting, that the borrower's total monthly debt service payments, at the time of origination, including the loan for which the borrower is being considered, and across all outstanding forms of credit ~~known to the licensee~~ *that can be independently verified*, exceed 50 percent of the borrower's gross monthly income.

(B) *The licensee shall seek information pertaining to a borrower's current debt service obligations and verify that information using a credit report from at least one of the three major credit bureaus and other commercially reasonable, electronic verification services. The licensee shall also assess the borrower's income using information from either of the following:*

(i) *Electronic means or services that provide reasonably reliable evidence of a borrower's income.*

(ii) *Internal Revenue Service Form W-2, tax returns, payroll receipts, bank statements, or other third-party documents that provide reasonably reliable evidence of a borrower's income.*

(g) This section shall not apply to any loan of a bona fide principal amount of two thousand five hundred dollars (\$2,500) or more as determined in accordance with Section 22251. For purposes of this subdivision, "bona fide principal amount" shall be determined in accordance with Section 22251.

~~22352. (a) A licensee who is approved by the commissioner to participate in the program may use the services of one or more finders as provided in this article.~~

1 (b) ~~For purposes of this article, a “finder” means a person who~~
2 ~~brings a licensee and a prospective borrower together for the~~
3 ~~purpose of negotiating a loan contract.~~

4 22353. (a) A finder may perform one or more of the following
5 services for a licensee:

6 (1) ~~Distributing, circulating, using, or publishing preprinted~~
7 ~~brochures, flyers, fact sheets, or other written materials relating to~~
8 ~~loans that the licensee can make or negotiate and that have been~~
9 ~~reviewed and approved in writing by the licensee prior to their~~
10 ~~being distributed, circulated, or published.~~

11 (2) ~~Providing written factual information about loan terms,~~
12 ~~conditions, or qualification requirements to a prospective borrower~~
13 ~~that has been either prepared by the licensee, or reviewed and~~
14 ~~approved in writing by the licensee. A finder may discuss that~~
15 ~~information with a prospective borrower in general terms, but may~~
16 ~~not provide counseling or advice to a prospective borrower.~~

17 (3) ~~Notifying a prospective borrower of the information needed~~
18 ~~in order to complete a loan application without providing~~
19 ~~counseling or advice to a prospective borrower.~~

20 (4) ~~Entering information provided by the prospective borrower~~
21 ~~on a preprinted or electronic application form or onto a~~
22 ~~preformatted computer database without providing counseling or~~
23 ~~advice to a prospective borrower.~~

24 (5) ~~Assembling credit applications and other materials obtained~~
25 ~~in the course of a credit application transaction for submission to~~
26 ~~the finance lender.~~

27 (6) ~~Contacting the licensee to determine the status of a loan~~
28 ~~application.~~

29 (7) ~~Communicating a response that is returned by the licensee’s~~
30 ~~automated underwriting system to a borrower or a prospective~~
31 ~~borrower.~~

32 (8) ~~Obtaining a borrower’s signature on documents prepared~~
33 ~~by the licensee and delivering final copies of the documents to the~~
34 ~~borrower.~~

35 (b) A finder shall not engage in any of the following activities:

36 (1) ~~Providing counseling or advice to a borrower or prospective~~
37 ~~borrower.~~

38 (2) ~~Providing loan-related marketing material that has not~~
39 ~~previously been approved by the licensee to a borrower or a~~
40 ~~prospective borrower.~~

1 ~~(3) Interpreting or explaining the relevance, significance, or~~
2 ~~effect of any of the marketing materials or loan documents the~~
3 ~~finder provides to a borrower or prospective borrower.~~

4 ~~(c) Any person who performs one or more of the following~~
5 ~~activities is a broker within the meaning of Section 22004 rather~~
6 ~~than a finder within the meaning of this section:~~

7 ~~(1) Negotiating the price, length, or any other loan term between~~
8 ~~a licensee and a prospective borrower.~~

9 ~~(2) Advising either a prospective borrower or a licensee as to~~
10 ~~any loan term.~~

11 ~~(3) Offering information pertaining to a single prospective~~
12 ~~borrower to more than one licensee, except that, if a licensee has~~
13 ~~declined to offer a loan to a prospective borrower and has so~~
14 ~~notified that prospective borrower in writing, the person may then~~
15 ~~offer information pertaining to a single prospective borrower to~~
16 ~~another licensee with which it has a finder's agreement.~~

17 ~~(d) A finder shall comply with all laws applicable to the licensee~~
18 ~~that impose requirements upon the licensee for safeguards for~~
19 ~~information security.~~

20 ~~22354. A finder may be compensated by the licensee pursuant~~
21 ~~to the written agreement between the licensee and the finder, as~~
22 ~~described in Section 22356. No licensee shall, directly or indirectly,~~
23 ~~pass on to a borrower any fee, or any portion of any fee, that the~~
24 ~~licensee pays to a finder in connection with that borrower's loan~~
25 ~~or loan application.~~

26 ~~22357. A licensee that utilizes the services of a finder shall do~~
27 ~~all of the following:~~

28 ~~(a) Notify the commissioner within 10 days of entering into a~~
29 ~~contract with a finder, on a form acceptable to the commissioner,~~
30 ~~regarding all of the following:~~

31 ~~(1) The name and business address of the finder.~~

32 ~~(2) The name and contact information for an employee of the~~
33 ~~finder who is knowledgeable about, and has the authority to~~
34 ~~execute, the contract governing the business relationship between~~
35 ~~the finder and the licensee.~~

36 ~~(3) The name and contract information for one or more~~
37 ~~employees of the finder who is or are responsible for the activities~~
38 ~~of the finder at each of its branch locations.~~

39 ~~(4) A list of the activities the finder shall perform on behalf of~~
40 ~~the licensee.~~

1 ~~(5) Any other information requested by the commissioner.~~

2 ~~(b) Pay an annual finder registration fee to the commissioner~~
3 ~~in an amount to be established by the commissioner by regulation~~
4 ~~for each finder utilized by the licensee.~~

5 ~~(c) Submit an annual report to the commissioner including any~~
6 ~~information pertaining to each finder and the licensee's relationship~~
7 ~~and business arrangements with each finder as the commissioner~~
8 ~~may by regulation require.~~

9 ~~22358. All arrangements between a licensee and a finder shall~~
10 ~~be set forth in a written agreement between the parties. The~~
11 ~~agreement shall contain a provision establishing that the finder~~
12 ~~agrees to comply with all regulations that are established by the~~
13 ~~commissioner pursuant to this article regarding the activities of~~
14 ~~finders and that the commissioner shall have access to all of the~~
15 ~~finder's books and records that pertain to the finder's operations~~
16 ~~under the agreement with the licensee.~~

17 ~~22359. The commissioner may examine the operations of each~~
18 ~~licensee and each finder to ensure that the activities of the licensee~~
19 ~~and the finder are in compliance with this article. The costs of the~~
20 ~~commissioner's examination of each finder shall be attributed to~~
21 ~~the commissioner's examination of the licensee. Any violation of~~
22 ~~this article by a finder or a finder's employee shall be attributed~~
23 ~~to the finance lender with whom it has entered into an agreement~~
24 ~~for purposes of determining the licensee's compliance with this~~
25 ~~division.~~

26 *22353. Notwithstanding any other provision of law, the*
27 *commissioner shall examine each licensee that is accepted into*
28 *the program at least once every 24 months. The cost of each*
29 *examination of a licensee shall be paid to the commissioner by the*
30 *licensee examined, and the commissioner may maintain an action*
31 *for the recovery of the cost in any court of competent jurisdiction.*
32 *In determining the cost of the examination, the commissioner may*
33 *use the estimated average hourly cost for all persons performing*
34 *examinations of licensees or other persons subject to this division*
35 *for the fiscal year.*

36 ~~22360.~~

37 ~~22354. (a) On or before January 1, 2014, the commissioner~~
38 ~~shall submit a report to the Legislature Senate Committee on~~
39 ~~Banking, Finance and Insurance, the Assembly Committee on~~
40 ~~Banking and Finance, and the Senate and Assembly Committees~~

1 on Judiciary, in compliance with Section 9795 of the Government
2 Code, summarizing utilization of the Pilot Program for Affordable
3 Credit-Building Opportunities and including recommendations
4 regarding whether the program should be continued after January
5 1, 2015. ~~The report~~

6 *(b) The information disclosed to the commissioner for the*
7 *commissioner's use in preparing the report described in this*
8 *section is exempted from any requirement of public disclosure by*
9 *paragraph (2) of subdivision (d) of Section 6254 of the Government*
10 *Code.*

11 *(c) The report required pursuant to this section shall include,*
12 *but not be limited to, the following:*

13 ~~(a)~~
14 *(1) The number of finance lender licensees who applied to*
15 *participate in the program.*

16 ~~(b)~~
17 *(2) The number of finance lender licensees accepted to*
18 *participate in the program.*

19 ~~(c)~~
20 *(3) The number of program loan applications received by*
21 *lenders participating in the program, the number of loans made*
22 *pursuant to the program, and the distribution of interest rates and*
23 *principal amounts upon origination among those loans.*

24 *(4) The number of borrowers who obtained more than one*
25 *program loan.*

26 *(5) Of the number of borrowers who obtained more than one*
27 *program loan, the percentage of those borrowers whose credit*
28 *scores increased between successive loans, based on information*
29 *from at least one major credit bureau, and the average size of the*
30 *increase.*

31 *(6) The number of borrowers who obtained at least one program*
32 *loan and who resided in a low-to-moderate-income census tract*
33 *at the time of their loan application.*

34 *(7) The number of borrowers who obtained loans for the*
35 *following purposes, based on borrower responses at the time of*
36 *their loan applications indicating the primary purpose for which*
37 *the loan was obtained:*

38 *(A) Medical.*

39 *(B) Other emergency.*

40 *(C) Vehicle repair.*

1 (D) *Vehicle purchase.*

2 (E) *To pay bills.*

3 (F) *To consolidate debt.*

4 (G) *To build or repair credit history.*

5 (H) *To finance a purchase of goods or services other than a*
6 *vehicle.*

7 (I) *Other.*

8 (8) *The number of borrowers who have a bank account, the*
9 *number of borrowers who have a bank account and use*
10 *check-cashing services, and the number of borrowers who do not*
11 *have a bank account.*

12 ~~(d)~~

13 (9) *Recommendations for improving the program.*

14 ~~(e)~~

15 (10) *Recommendations regarding whether the program should*
16 *be continued after January 1, 2015.*

17 ~~22361.~~

18 22355. This article shall remain in effect only until January 1,
19 2015, and as of that date is repealed, unless a later enacted statute,
20 that is enacted before January 1, 2015, deletes or extends that date.

21 ~~SEC. 5.~~

22 SEC. 4. No reimbursement is required by this act pursuant to
23 Section 6 of Article XIII B of the California Constitution because
24 the only costs that may be incurred by a local agency or school
25 district will be incurred because this act creates a new crime or
26 infraction, eliminates a crime or infraction, or changes the penalty
27 for a crime or infraction, within the meaning of Section 17556 of
28 the Government Code, or changes the definition of a crime within
29 the meaning of Section 6 of Article XIII B of the California
30 Constitution.